



Enduring Resources

475 17th Street Suite 1500 Denver Colorado 80202
Telephone 303 573-1222 Fax 303 573 0461

June 7, 2006

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn.: Ms. Diana Whitney

RE: Enduring Resources, LLC
Hanging Rock 11-23-41-36
NE-NE 36-11S-23E
State Lease: ML-50085
Uintah County, Utah

Dear Ms. Whitney:

Enclosed are two original applications to drill concerning the above-referenced proposed well. This information was also submitted to SITLA.

Enduring Resources, LLC is requesting the Utah Division of Oil, Gas and Mining to hold this application and all future information as confidential.

If any questions arise or additional information is required, please contact me at 303-350-5114.

Very truly yours,

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian
Landman-Regulatory Specialist

ara
Enclosures:

cc: SITLA w/ attachments

RECEIVED

JUN 12 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

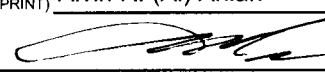
AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-50085	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Enduring Resources, LLC				9. WELL NAME and NUMBER: Hanging Rock 11-23-41-36	
3. ADDRESS OF OPERATOR: 475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220			PHONE NUMBER: (303) 350-5114	10. FIELD AND POOL, OR WILDCAT: Undesignated	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 606' FNL - 818' FWL AT PROPOSED PRODUCING ZONE: Same				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 26.1 South of Bonanza, UT				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 606'		16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1000' +		19. PROPOSED DEPTH: 6,675		20. BOND DESCRIPTION: RLB0008031	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5950' RT-KB		22. APPROXIMATE DATE WORK WILL START: 8/1/2006		23. ESTIMATED DURATION: 20 days	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
20"	14"	line pipe		40	3 yards	Ready Mix	
11"	8-5/8"	J-55	24#	2,000	Premium Lead	183 sxs	3.50 11.1
					Premium Tail	183 sxs	1.15 15.8
7-7/8"	4-1/2"	N-80	11.6#	6,675	Class G	56 sxs	3.3 11.0
					50/50 Poz Class G	791 sxs	1.56 14.3

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist

SIGNATURE  DATE 6/7/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38281

APPROVAL:

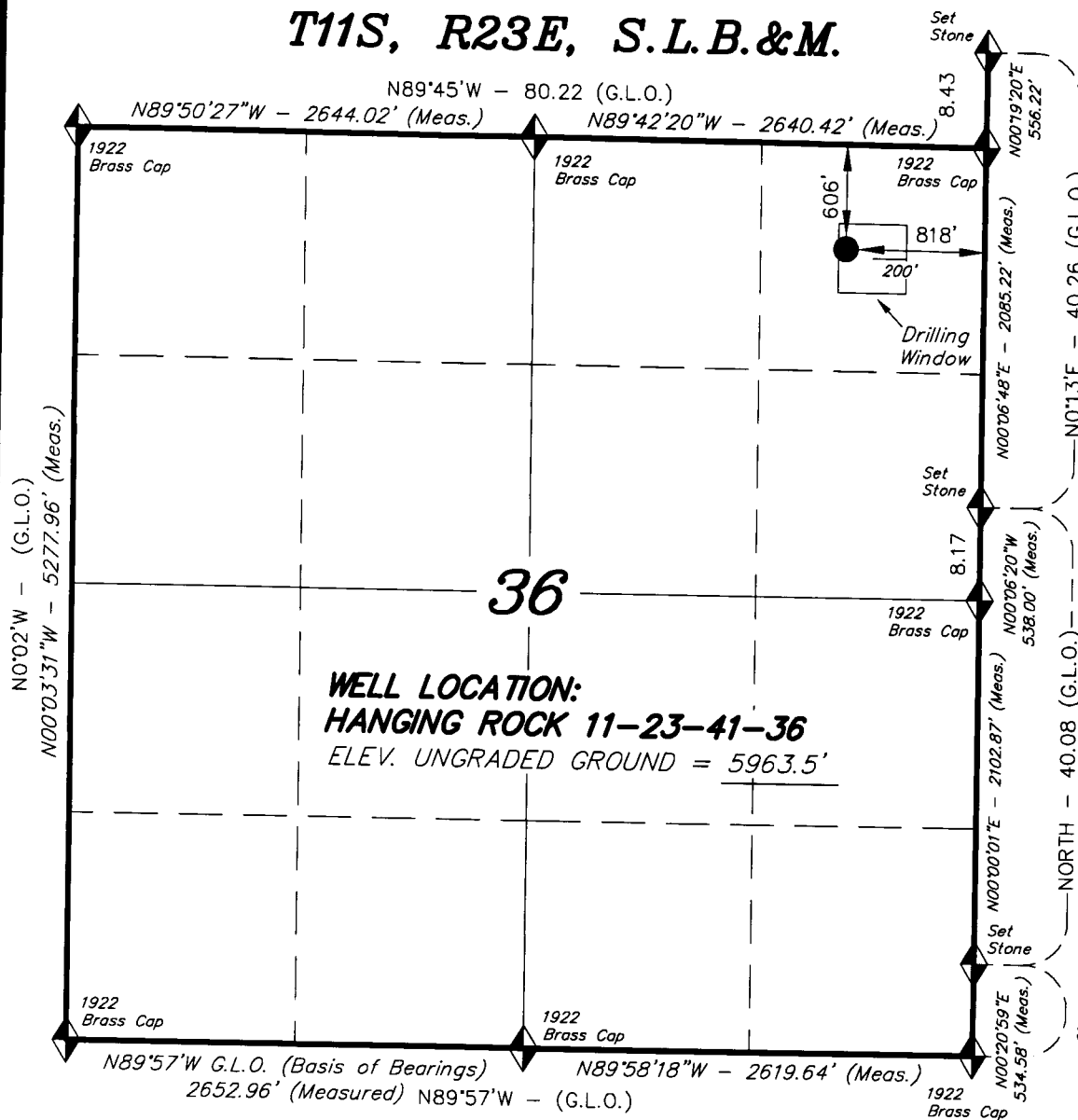
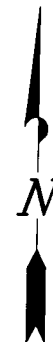
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DIV. OF OIL, GAS & MINING

T11S, R23E, S.L.B.&M.

ENDURING RESOURCES

WELL LOCATION, HANGING ROCK
11-23-41-36, LOCATED AS SHOWN IN
THE NE 1/4 NE 1/4 OF SECTION 36,
T11S, R23E, S.L.B.&M. UINTAH COUNTY,
UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No. 189377

STACY W.
REGISTERED LAND SURVEYOR
REGISTRATION No. 189377
STATE OF UTAH

◆ = SECTION CORNERS LOCATED
BASIS OF ELEV; U.S.G.S. 7-1/2 min
QUAD (ARCHY BENCH SE)

HANGING ROCK 11-23-41-36
(Surface Location) NAD 83
LATITUDE = 39° 49' 20.94"
LONGITUDE = 109° 17' 06.71"

TRI STATE LAND SURVEYING & CONSULTING
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE DRAWN: 05-30-06	SURVEYED BY: K.G.S.	SHEET 2 OF 10
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

FORM 3

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**Approved by the
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Oil, Gas and Mining**

APPROVAL:

Date: _____

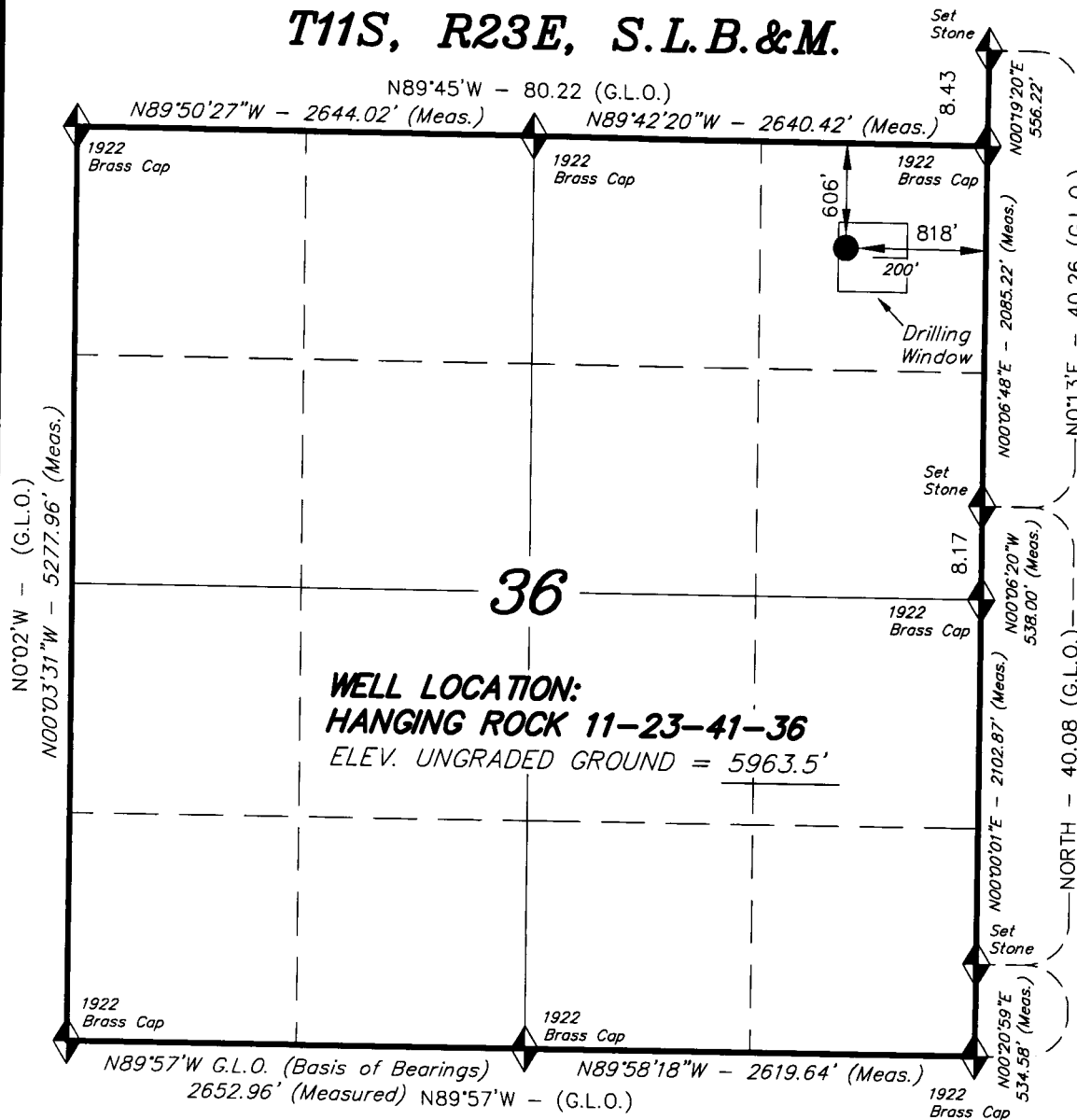
By: [Signature]
(See Instructions on Reverse Side)

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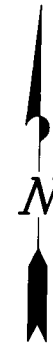
DIV. OF OIL, GAS & MINING

T11S, R23E, S.L.B.&M.

ENDURING RESOURCES



WELL LOCATION, HANGING ROCK 11-23-41-36, LOCATED AS SHOWN IN THE NE 1/4 NE 1/4 OF SECTION 36, T11S, R23E, S.L.B.&M. UTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
STACY W. STEWART
 REGISTERED LAND SURVEYOR
 REGISTRATION No. 189377
 STATE OF UTAH

N0°03'W
 8.09 (G.L.O.)

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (ARCHY BENCH SE)

HANGING ROCK 11-23-41-36
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TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
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DATE DRAWN: 05-30-06	SURVEYED BY: K.G.S.	SHEET 2 OF 10
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

**Enduring Resources, LLC
Hanging Rock 11-23-41-36
NE-NE 36-11S-23E
Uintah County, Utah
State Lease: ML-50085**

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	239
Wasatch	2739
Mesaverde	4218

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5979'	
Oil / Gas	Green River	239
Oil /Gas	Wasatch	2739
Oil /Gas	Mesaverde	4218
	Estimated TD	6675

A 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 6675' (KB)

The surface casing will have guide shoe, 1 joint, insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
6675' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.83 (d)	7780/2.44 (e)	223/3.35(f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	138	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ + 0.25 pps celloflake	As Req.		15.8	1.15

Production Casing and Liner - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4-1/2"	Lead	623	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	56	25	11.0	3.3
4-1/2"	Tail	4336	50/50 POZ Class G + 2% gel + 1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	791	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-6675' (KB)	8.8-9.8	8 - 10 ml	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML
TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3,471 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2,003 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. **Variances:**

None anticipated

10. **Other:**

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

Directions to the Hanging Rock 11-23-41-36 Well Pad

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza heading south on state highway 45 for a distance of approximately 5.7 miles where there is a turn-off to the right. Turn right, leaving state highway 45, and proceed southwest for a distance of approximately 5.1 miles (3.2 + 1.9 as shown on Topo "A"). The road then turns to the west; proceed northwesterly along said road for a distance of approximately 3.7 miles. Said road then turns to the southwest; proceed southwesterly then westerly for a distance of approximately 3.2 miles where the road forks. Turn left and bear southerly along the Asphalt Wash road for a distance of 3.0 miles where the road forks near a landing strip. Stay right, and continue south along the West Fork road for a distance of approximately 6.1 miles to the proposed access for the Hanging Rock 11-23-41-36 well pad. Turn left onto proposed access and continue easterly for approximately 7,130' (± 1.4 miles) to the proposed Hanging Rock 11-23-41-36 well pad.

Enduring Resources, LLC

Hanging Rock 11-23-41-36

NE-NE 36-11S-23E

Uintah County, Utah

State Lease: ML-50085

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the Hanging Rock 11-23-41-36 Well Pad

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2. Planned Access Roads:

The proposed access road will be approximately 7,130 feet of new construction all on-lease. All off-lease access is on an existing county road (Asphalt Wash Road #4160).

ALL NEW CONSTRUCTION IS ON SITLA LANDS.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. **Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):**

The following wells are wells located within a one (1) mile or greater radius of the proposed location.

- | | | |
|----|-------|---|
| a. | None: | Water Wells: |
| b. | None: | Injection Wells: |
| c. | None: | Producing Wells: |
| d. | None: | Drilling Wells: |
| e. | None: | Shut-in Wells: |
| f. | None: | Temporarily Abandoned Wells: |
| g. | None: | Disposal Wells: |
| h. | None: | Abandoned Wells: |
| i. | None: | Dry Holes: |
| j. | None: | Observation Wells: |
| k. | (8): | Pending (staked) Wells: |
| | | i. Enduring has eight other wells staked in this section. |

4. **Location of Existing and/or Proposed Facilities:**

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be designated by DOG&M and SITLA. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline for this well will be:

7,130'	Surface Pipeline	On-Lease	SITLA
-0-	Surface Pipeline	Off-Lease	n/a

If this well is capable of economic production, a 4" (or less) steel surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately less than 7,130 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

The proposed pipeline will begin at the well site; and be laid on the surface next to the new access road to tie-in to a steel surface pipeline that is located next to the county road.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Whenever practical, water will be obtained from Enduring Resources LLC Water Right Number 49-2215 or Water Right Number 49-2216 (*See Townships of permitted Use below). If those sources are not available, a new water source shall be submitted prior to commencing operations. (These permits have one-year terms and then must be renewed)

*Enduring Water Permits' Townships of Use:

T10S-R22E	T11S-R22E	T12S-R22E
T10S-R23E	T11S-R23E	T12S-R23E
T10S-R24E	T11S-R24E	T12S-R24E

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6 Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:**Producing Location:**

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit **and** that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by the DOG&M and/or SITLA.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: SITLA

Access: SITLA

Pipeline: SITLA

12. Other Information**On-site Inspection for Location, Access and Pipeline Route:**

The on-site will be scheduled by SITLA and DOG&M.

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted Dark Olive Black.
- Surface Gathering Pipeline shall be 4" or less

Archeology:

- a. A Cultural Resource Inventory Report is pending and to be prepared by Montgomery Archaeological Consultants.

Paleontology:

- a. A Paleontology Reconnaissance Report is pending and to be prepared by Intermountain Paleo-Consulting.

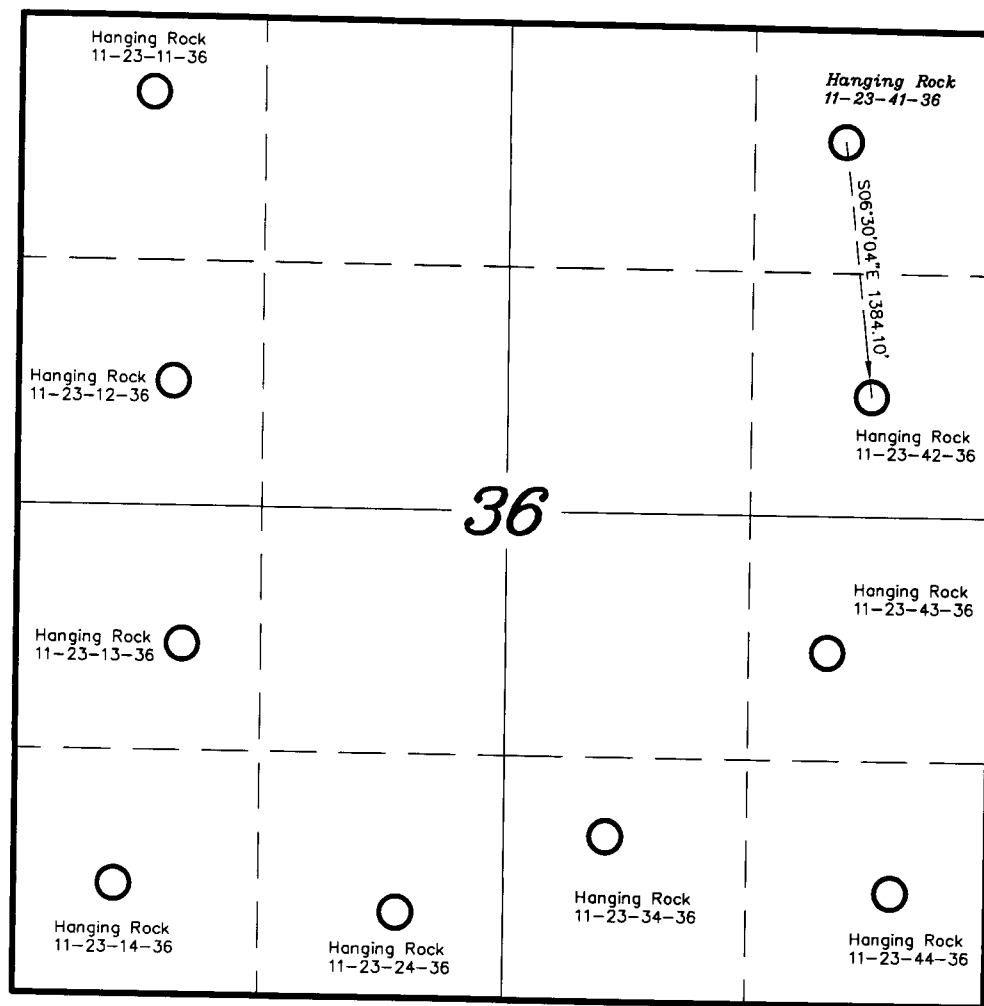
If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

13, Lessee's or Operator's Representatives:**Representatives:**

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Teme Singleton
Drilling Engineer
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-573-5711
Fax Tel: 303-573-0461
tsingleton@enduringresources.com

T11S, R23E, S.L.B.&M.



ENDURING RESOURCES

SECTION DRILLING MAP
Hanging Rock 11-23-41-36



LEGEND

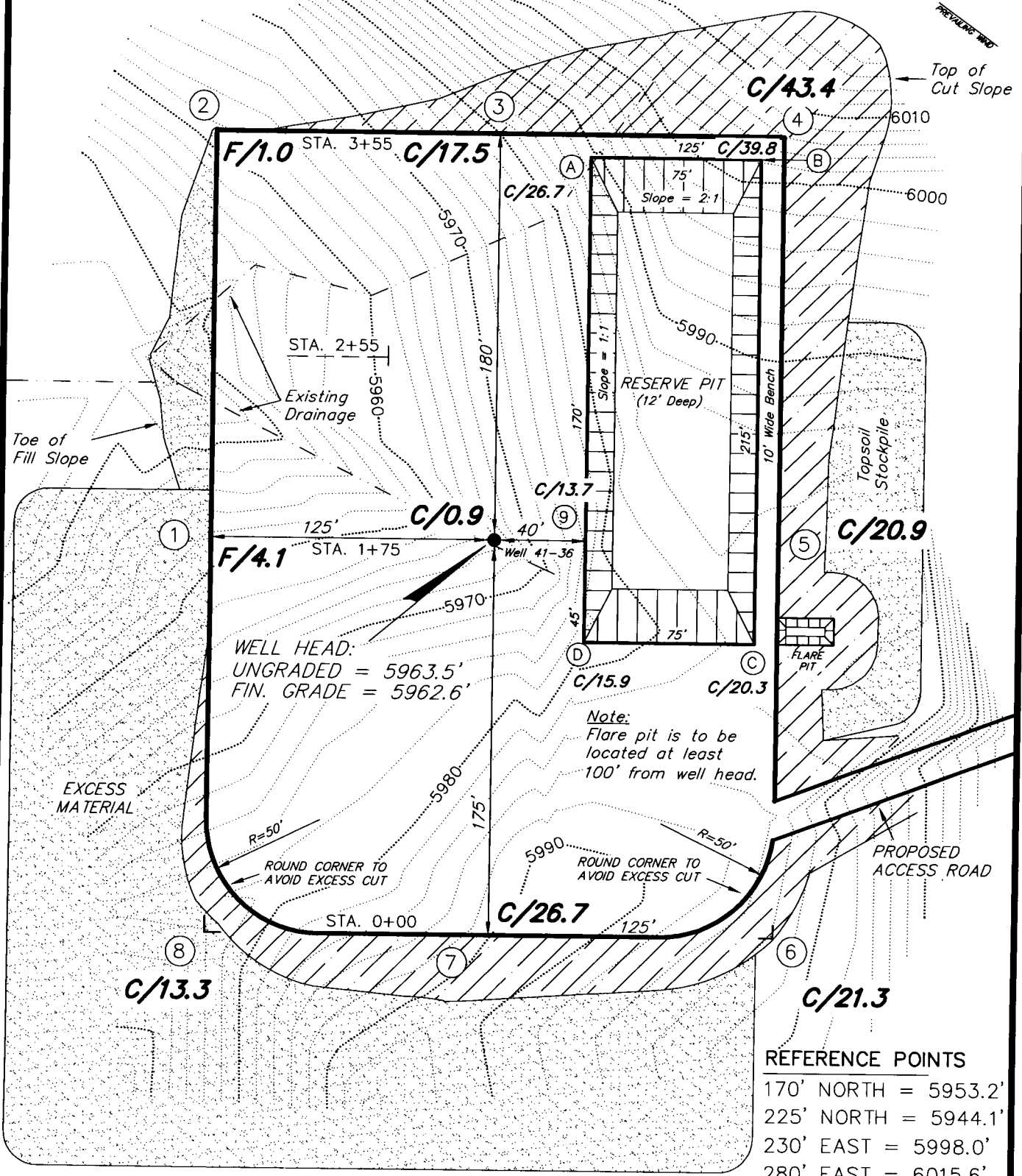
- = Vertical Well
- ⊙ = Directional Well (Bottom Hole)

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE DRAWN: 05-30-06	SURVEYED BY: K.G.S.	SHEET 1 OF 10
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

HANGING ROCK 11-23-41-36
Section 36, T11S, R23E, S.L.B.&M.



170' NORTH	= 5953.2'
225' NORTH	= 5944.1'
230' EAST	= 5998.0'
280' EAST	= 6015.6'

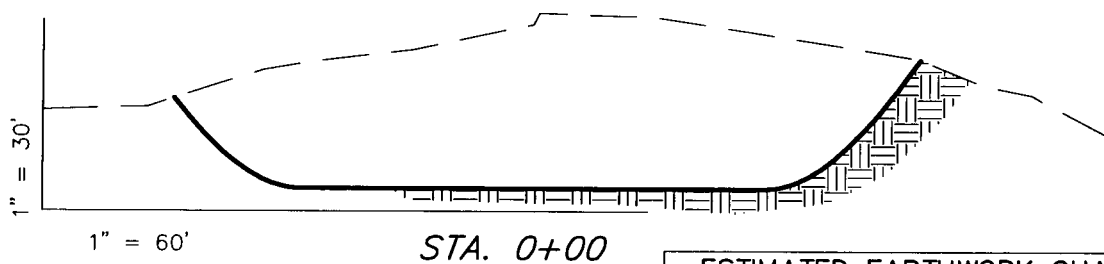
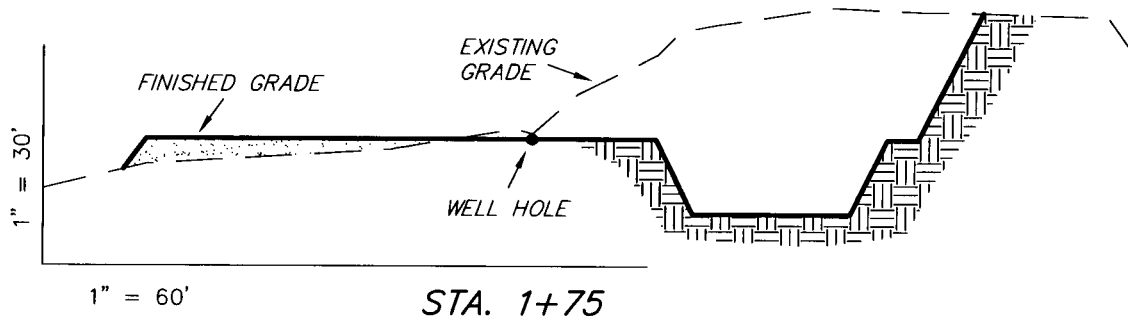
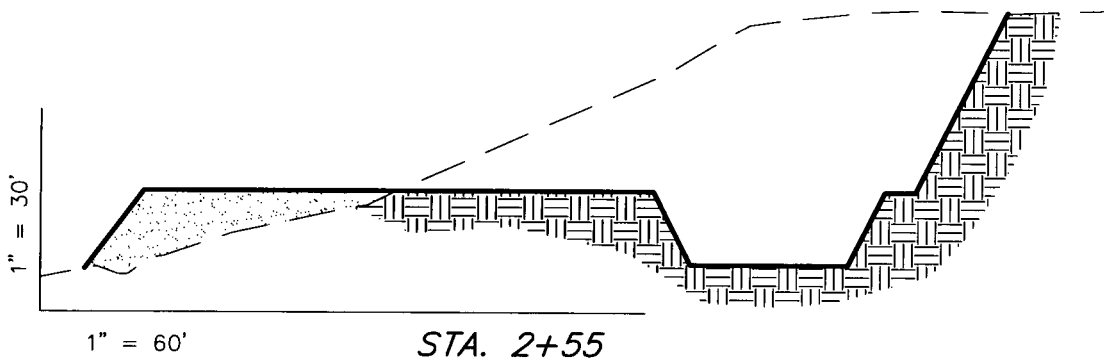
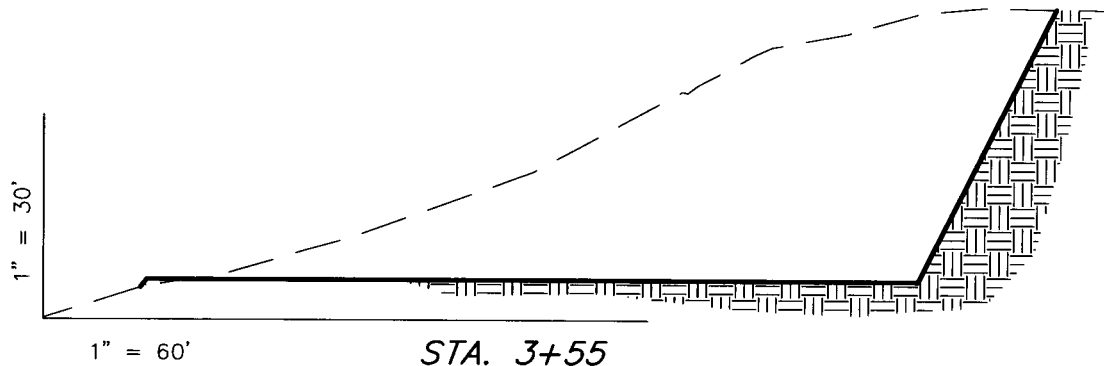
Tri State (435) 781-2501
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

OF 10

ENDURING RESOURCES

CROSS SECTIONS

HANGING ROCK 11-23-41-36



NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	56,710	4,070	Topsoil is not included in Pad Cut	52,640
PIT	5,390	0		5,390
TOTALS	62,100	4,070	2,120	58,030

SURVEYED BY: K.G.S. DATE DRAWN: 05-30-06

DRAWN BY: F.T.M. SCALE: 1" = 60'

NOTES:

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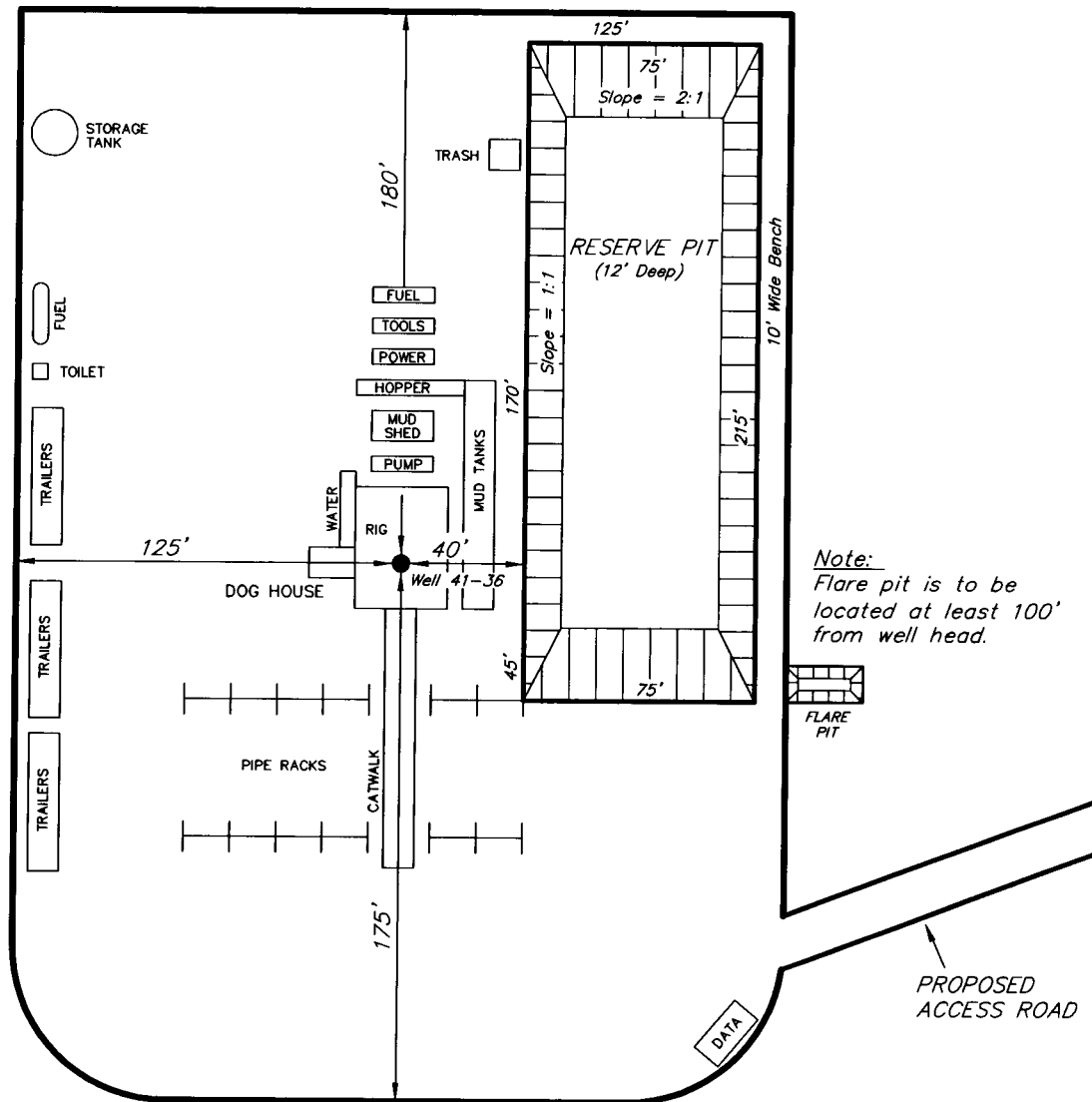
(435) 781-2501

SHEET
4
OF 10

ENDURING RESOURCES

TYPICAL RIG LAYOUT

HANGING ROCK 11-23-41-36

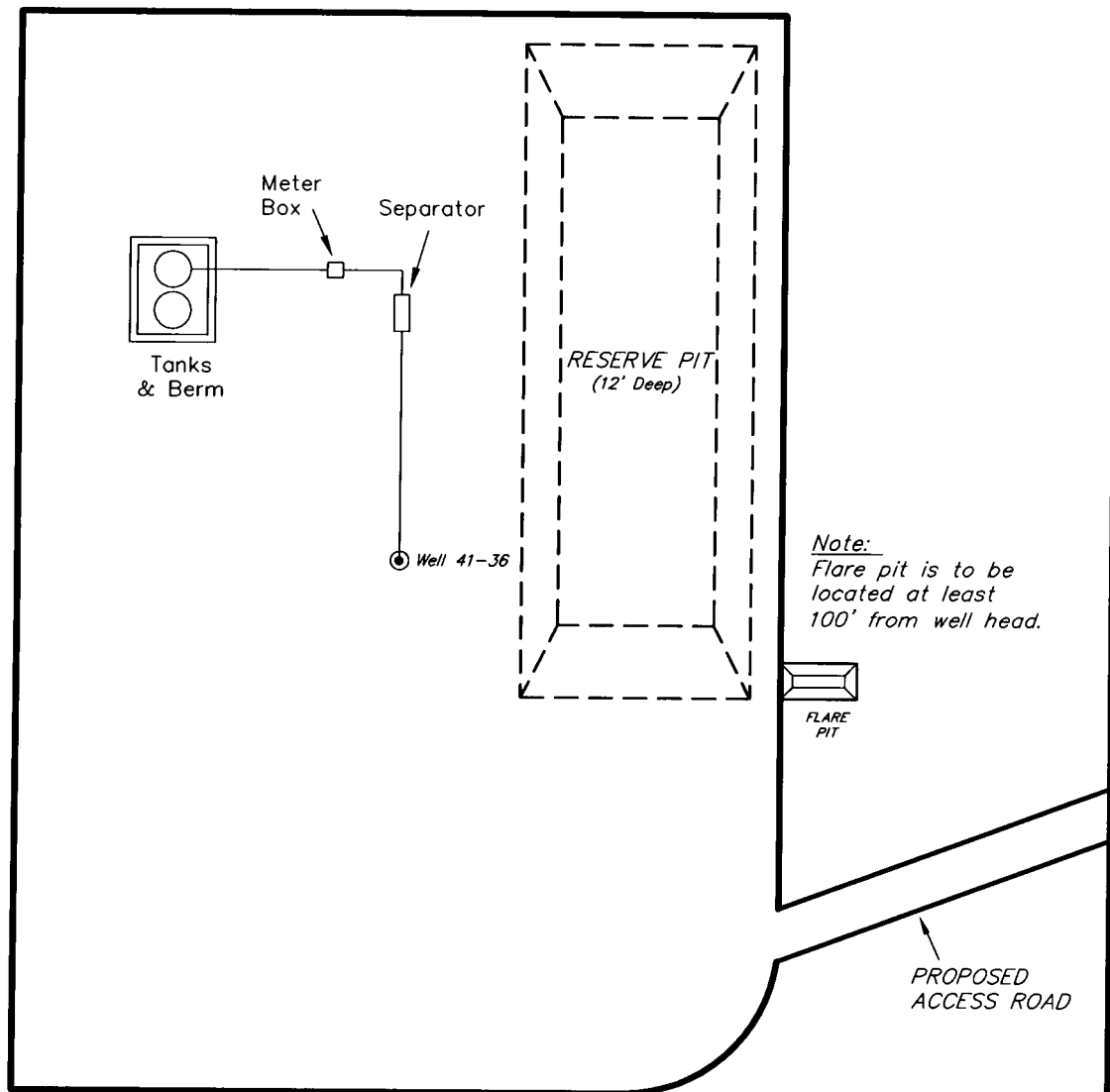


SURVEYED BY: K.G.S. DATE DRAWN: 05-30-06
 DRAWN BY: F.T.M. SCALE: 1" = 60'
 NOTES:

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SHEET
5
 OF 10

ENDURING RESOURCES
PRODUCTION SCHEMATIC
HANGING ROCK 11-23-41-36



SURVEYED BY: K.G.S.	DATE DRAWN: 05-30-06
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

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SHEET
6
OF 10



ENDURING RESOURCES

Hanging Rock 11-23-41-36
Sec. 36, T11S, R23E, S.L.B.&M.



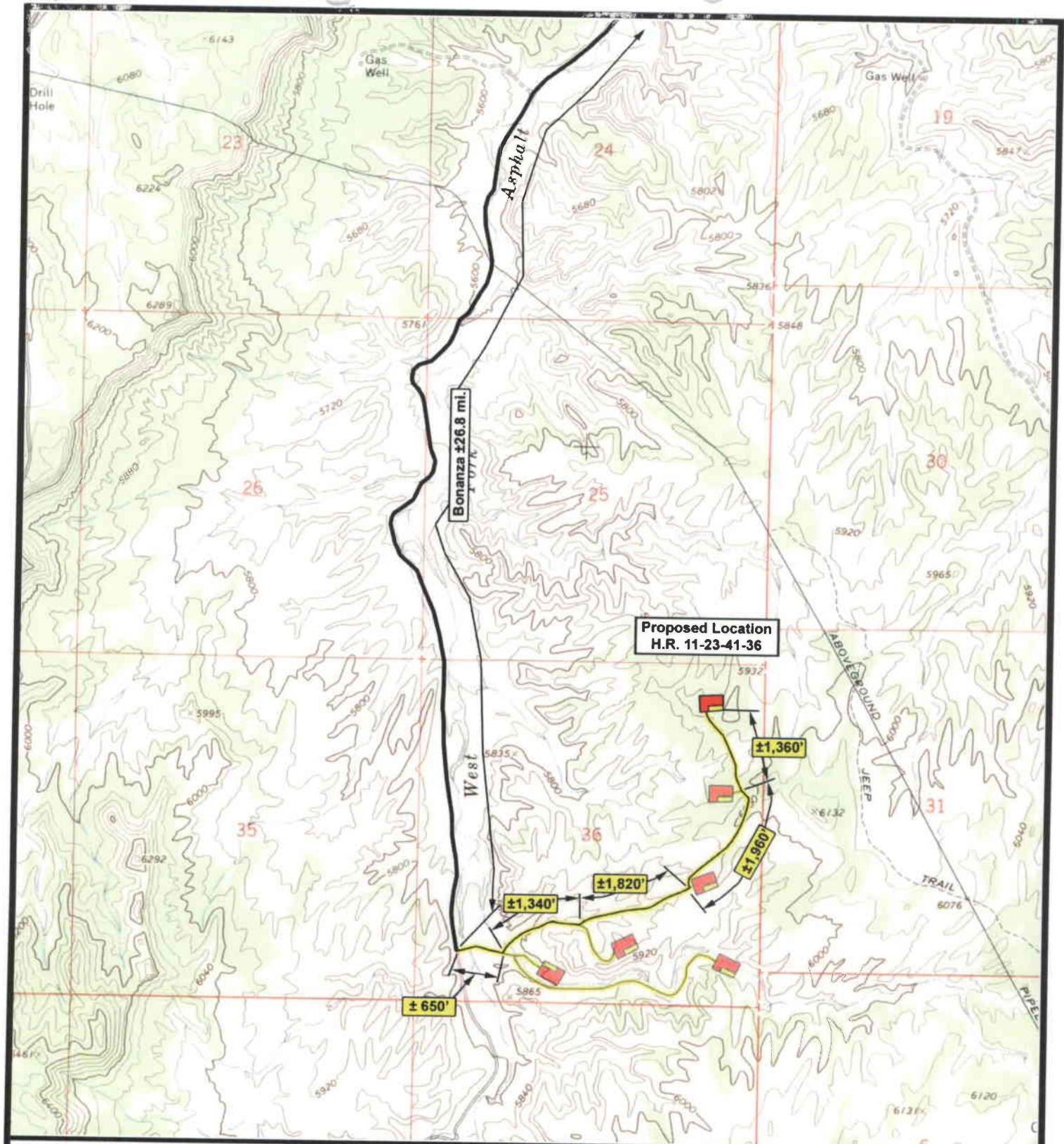
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 : 100,000
DRAWN BY: mw
DATE: 05-30-2006

Legend

Existing Road
 Proposed Access

TOPOGRAPHIC MAP
"A"
SHEET 7 OF 10



ENDURING RESOURCES

Hanging Rock 11-23-41-36
Sec. 36, T11S, R23E, S.L.B.&M.

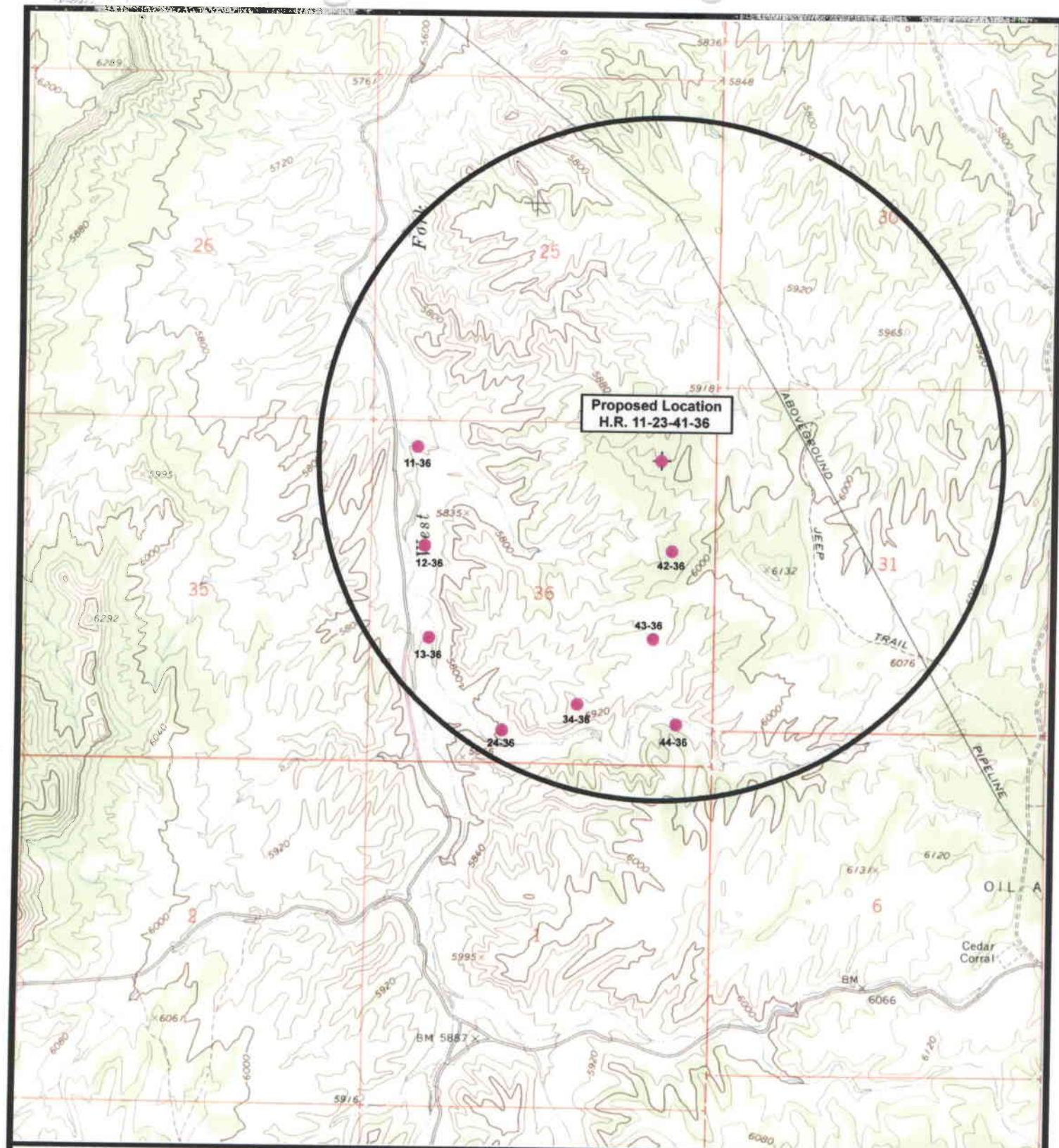


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Land Surveying Inc.
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 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
 DRAWN BY: mw
 DATE: 05-30-2006

Legend
 — Existing Road
 — Proposed Access

TOPOGRAPHIC MAP
"B"
 SHEET
8
 OF 10



ENDURING RESOURCES

Hanging Rock 11-23-41-36
Sec. 36, T11S, R23E, S.L.B.&M.



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 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 05-30-2006

Legend

- Location
- One-Mile Radius

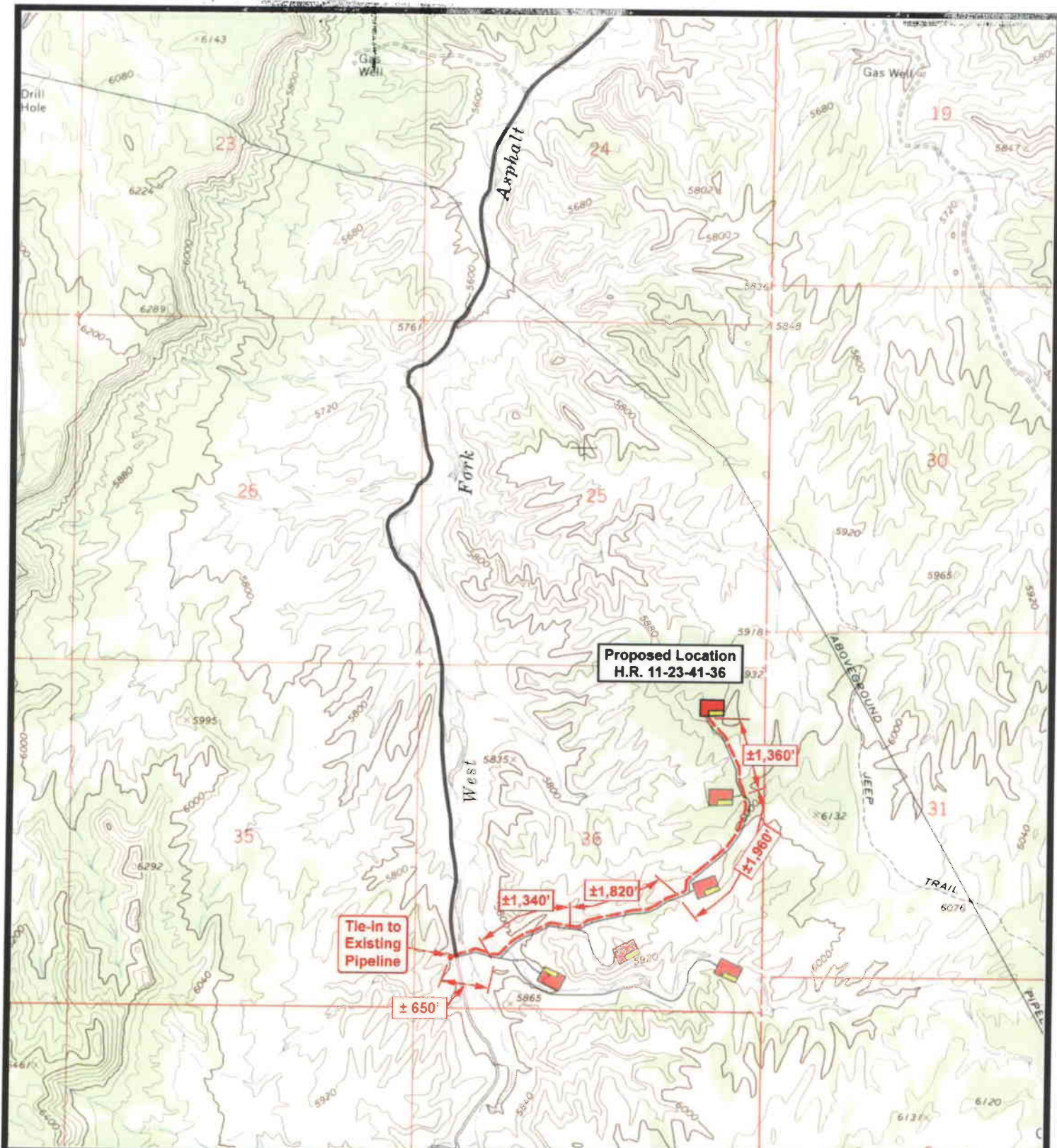
TOPOGRAPHIC MAP

"C"

SHEET

9

OF 10



ENDURING RESOURCES

**Hanging Rock 11-23-41-36
Sec. 36, T11S, R23E, S.L.B.&M.**



**Tri-State
Land Surveying Inc.**
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 05-31-2006

Legend

- Roads
- Proposed Gas Line

TOPOGRAPHIC MAP

"D"

SHEET

10
OF 10



CENTER STAKE


ENDURING RESOURCES
H.R. 11-23-41-36

Date Photographed: 05/23/2006
Date Drawn: 05/31/2006
Drawn By: mw


Tri-State
Land Surveying Inc.
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180 North Vernal Ave. Vernal, Utah 84078



NORTH


ENDURING RESOURCES
H.R. 11-23-41-36

Date Photographed: 05/23/2006
Date Drawn: 05/31/2006
Drawn By: mw


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Land Surveying Inc.
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180 North Vernal Ave. Vernal, Utah 84078

EAST





SOUTH


ENDURING RESOURCES
H.R. 11-23-41-36

Date Photographed: 05/23/2006
Date Drawn: 05/31/2006
Drawn By: mw

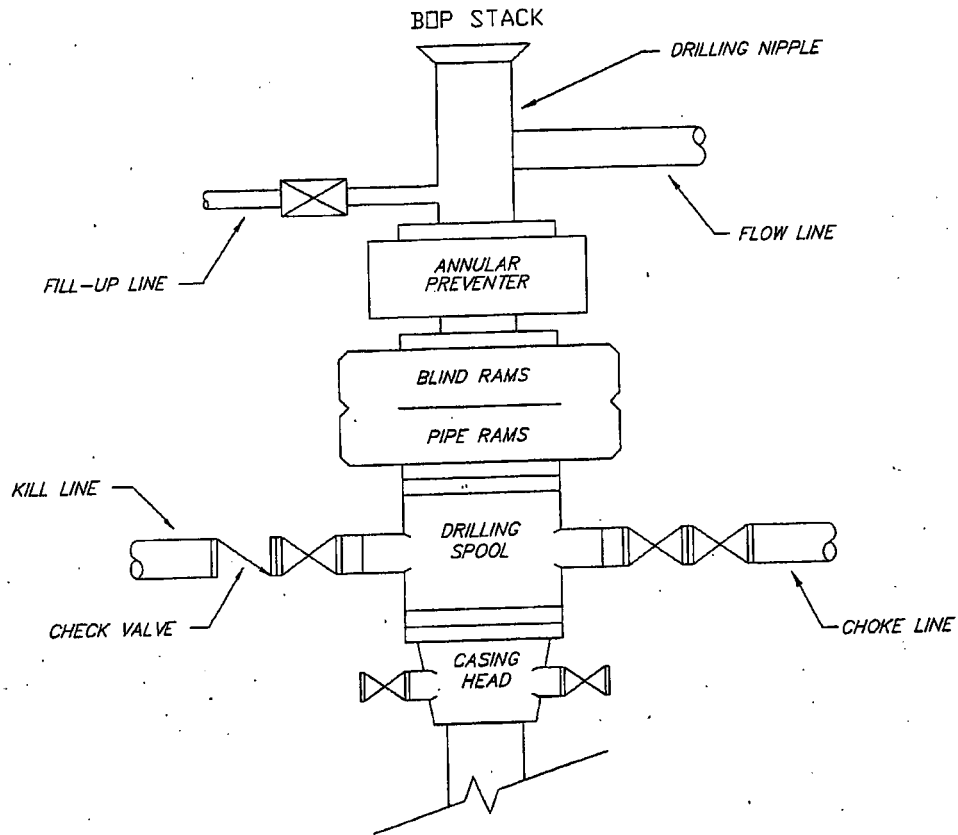

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WEST

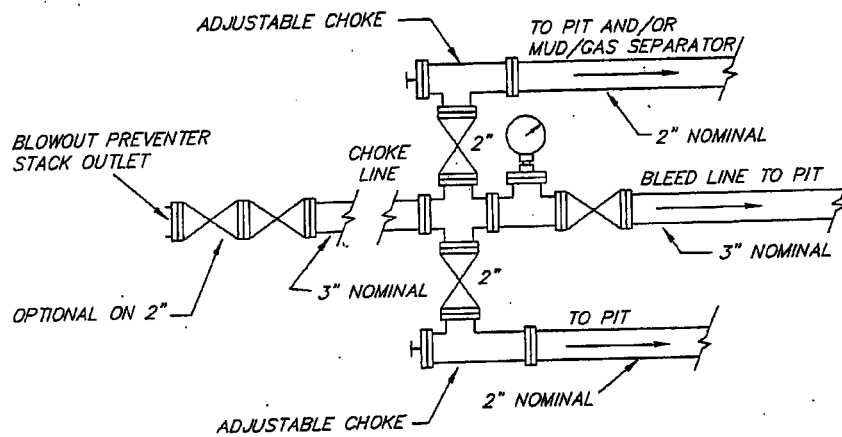


ENDURING RESOURCES, LLC

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/12/2006

API NO. ASSIGNED: 43-047-38281

WELL NAME: HANGING ROCK 11-23-41-36

OPERATOR: ENDURING RESOURCES, LLC (N2750)

CONTACT: AL ARLIAN

PHONE NUMBER: 303-350-5114

PROPOSED LOCATION:

NENE 36 110S 230E

SURFACE: 0606 FNL 0818 FWL

BOTTOM: 0606 FNL 0818 FWL

COUNTY: UINTAH

LATITUDE: 39.82251 LONGITUDE: -109.2975

UTM SURF EASTINGS: 645711 NORTHINGS: 4409235

FIELD NAME: UNDESIGNATED (2)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	Duo	7/24/06
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-50085

SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2215)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.
Unit: _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception
 Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
 R649-3-11. Directional Drill

COMMENTS: _____

Needs Presb (06-22-06)

STIPULATIONS: _____

1- Spacing & Dir
2- STATEMENT OF BASIS
3- Surface Cg Cont stip

HANGING ROCK
FED H 25-13

T11S R24E

T11S R23E

HANGING ROCK
H-23-11-36

HANGING ROCK
H-23-41-36

HANGING ROCK H-23-42-36 HANGING ROCK H-23-12-36

HANGING ROCK
H-23-13-36

HANGING ROCK
H-23-43-36

OIL SPRINGS FIELD

HANGING ROCK
H-23-34-36

HANGING ROCK
H-23-14-36

HANGING ROCK
H-23-24-36

HANGING ROCK
H-23-44-36

T12S R24E

T12S R23E

OPERATOR: ENDURING RES LLC (N2750)

SEC: 36 T. 11S R. 23E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status
ABANDONED
ACTIVE
COMBINED
INACTIVE
PROPOSED
STORAGE
TERMINATED

Unit Status
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PENDING
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Wells Status

GAS INJECTION
GAS STORAGE
LOCATION ABANDONED
NEW LOCATION
PLUGGED & ABANDONED
PRODUCING GAS
PRODUCING OIL
SHUT-IN GAS
SHUT-IN OIL
TEMP. ABANDONED
TEST WELL
WATER INJECTION
WATER SUPPLY
WATER DISPOSAL
DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 20-JUNE-2006

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: ENDURING RESOURCES, LLC
WELL NAME & NUMBER: Hanging Rock 11-23-41-36
API NUMBER: 43-047-38281
LOCATION: 1/4,1/4 NE/NE Sec: 36 TWP: 11S RNG: 23E; 606' FNL 818' FEL

Geology/Ground Water:

Enduring proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 2,900 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta/Green River Formation transition. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers. Production casing cement should be brought up above the base of the moderately saline ground water.

Reviewer: Brad Hill **Date:** 07-03-06

Surface:

The pre-drill investigation of the surface was performed on June 22, 2006. The State of Utah (SITLA) owns both the surface and minerals of this location. Mr. Jim Davis of SITLA and Mr. Ben Williams of the Utah Division of Wildlife Resources were invited to the pre-site on 06/19/06. Both attended. Douglas Hammond represented Enduring Resources. The proposed Hanging Rock 11-23-412-36 well lies on the north side of a steep sharp-topped ridge. The ridge has exposed bedrock on each side. The center location is part way down the hillside in a steep draw. Two draws will be filled during construction of the pad. Diversions will not be necessary because the draws begin within the pad area. To reach the location, approximately 1,360 feet of road will be constructed leading off the road planned for the RH 11-23-42-36 well.. The White River is approximately 10 miles down-drainage to the north. Mr. Williams of the UDWR stated the area is classified as high value winter habitat for both deer and elk. To reduce the disturbance to these species during this critical winter period, he recommended to Mr. Hammond and Mr. Davis a restriction period from November 15 to April 15th where no construction or drilling including work-over rigs occur. Mr. Williams also gave Mr. Hammond and Mr. Davis a copy of this evaluation and also a seed mix recommendation to be used when the reserve pit and location are reclaimed. The selected location, however difficult to construct, appears to be the best site for constructing a pad and drilling and operating a well in the immediate area. No significant stability problems are anticipated.

Reviewer: Floyd Bartlett **Date:** 06/26/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: ENDURING RESOURCES, LLC
WELL NAME & NUMBER: Hanging Rock 11-23-41-36
API NUMBER: 43-047-38281
LEASE: ML-50085 **FIELD/UNIT:** Undesignated
LOCATION: 1/4, 1/4 NE/NE Sec: 36 TWP: 11S RNG: 23E; 606' FNL 818' FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): 0646821 E, 4409257 N **SURFACE OWNER:** State of Utah-SITLA

PARTICIPANTS

Floyd Bartlett (DOGM), Douglas Hammond (Enduring Resources), Larry Rowell (Ponderosa Oilfield Services), Jim Davis (SITLA), Ben Williams (UDWR), Chris Stewart and Cameron Stewart (TRI-State Land Surveying and Consulting)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The location is approximately 27 road miles south west of Bonanza Ut, and approximately 65 miles southeast of Vernal, UT. Access from Vernal, UT is by Utah State Highways and Uintah County roads to the Uintah County Kings Well and Wolf Den roads to where a new road will be constructed east to the RH 11-23-42-36 location. Leaving this road, approximately 1,360 feet of additional road will be constructed.

Topography in the general area is broad canyon bottoms separated by frequently steep and often ledgy side-slopes, which top-out onto broad ridge tops. Frequent outwash plains and deposits occur along the sides of the major bottoms. West Fork of Asphalt Wash is a broad somewhat gentle alluvial wash, which is dry except for spring runoff and sometimes-intense summer rainstorms.

The proposed Hanging Rock 11-23-412-36 well lies on the north side of a steep sharp-topped ridge. The ridge has exposed bedrock on each side. The center location is part way down the hillside in a steep draw. Two draws will be filled during construction of the pad. Diversions will not be necessary because the draws begin within the pad area. To reach the location, approximately 1,360 feet of road will be constructed leading off the road planned for the RH 11-23-42-36 well.. The White River is approximately 10 miles down-drainage to the north.

SURFACE USE PLAN

CURRENT SURFACE USE: wildlife and domestic sheep grazing and hunting.

PROPOSED SURFACE DISTURBANCE: 1,360 feet of new access road and construction of a well location 355'x 290' including the reserve pit, with the soil stockpile storage outside this area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Eight other wells are planned within this State section. See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling the well. It is planned to tie the pipeline in with the pipeline planned for the RH 11-23-42-36 well. Approximate length will be 1,360 feet, following the access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be borrowed from site during construction of location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
EXPLAIN: Unlikely. Oilfield activity is common in the area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Barren pinion-juniper type. Pronghorn, rodents, songbirds, raptors, elk, deer, bobcat, coyote.

SOIL TYPE AND CHARACTERISTICS: Very shallow sandy loam dominated by bedrock.

EROSION/SEDIMENTATION/STABILITY: Light natural erosion is occurring on the site. Two draws will be filled during construction of the pad. Diversions will not be necessary because the draws begin within the pad area. No stability problems are anticipated with the construction and operation of the location.

PALEONTOLOGICAL POTENTIAL: Survey completed by I.P.C. on 06-13-06 and will be furnished for the file.

RESERVE PIT

CHARACTERISTICS: 170' by 75' and 12' deep. The reserve pit is planned in an area of cut on the south east corner of the location. No stabilization problems are expected.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Sensitivity score is 20 and a rating Level II. Doug Hammond said it would be lined with a 16 mil liner.

SURFACE RESTORATION/RECLAMATION PLAN

As per landowner agreement with SITLA.

SURFACE AGREEMENT: SITLA

CULTURAL RESOURCES/ARCHAEOLOGY: A survey was completed by MOAC on 06-05-06 and will be furnished for the file.

OTHER OBSERVATIONS/COMMENTS

Ben Williams representing the UDWR and Jim Davis of SITLA were invited to the pre-site by e-mail on June 19th. Both were in attendance.

Mr. Williams stated the area is classified as high value winter habitat for both deer and elk. To reduce the disturbance to these species during this critical period, he recommended to Mr. Hammond and Mr. Davis a restriction period from November 15 to April 15th where no construction or drilling including work-over rigs occur. Mr. Williams also gave Mr. Hammond and Mr. Davis a copy of this evaluation and also a seed mix recommendation to be used when the reserve pit and location are reclaimed.

ATV's were used to access the site.

This pre-drill investigation was conducted on a hot sunny day.

ATTACHMENTS

Photos of site have been taken and placed on file.

Floyd Bartlett
DOGM REPRESENTATIVE

06/22/2006 11:55 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Scale
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>00</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 20 (Level II Sensitivity)

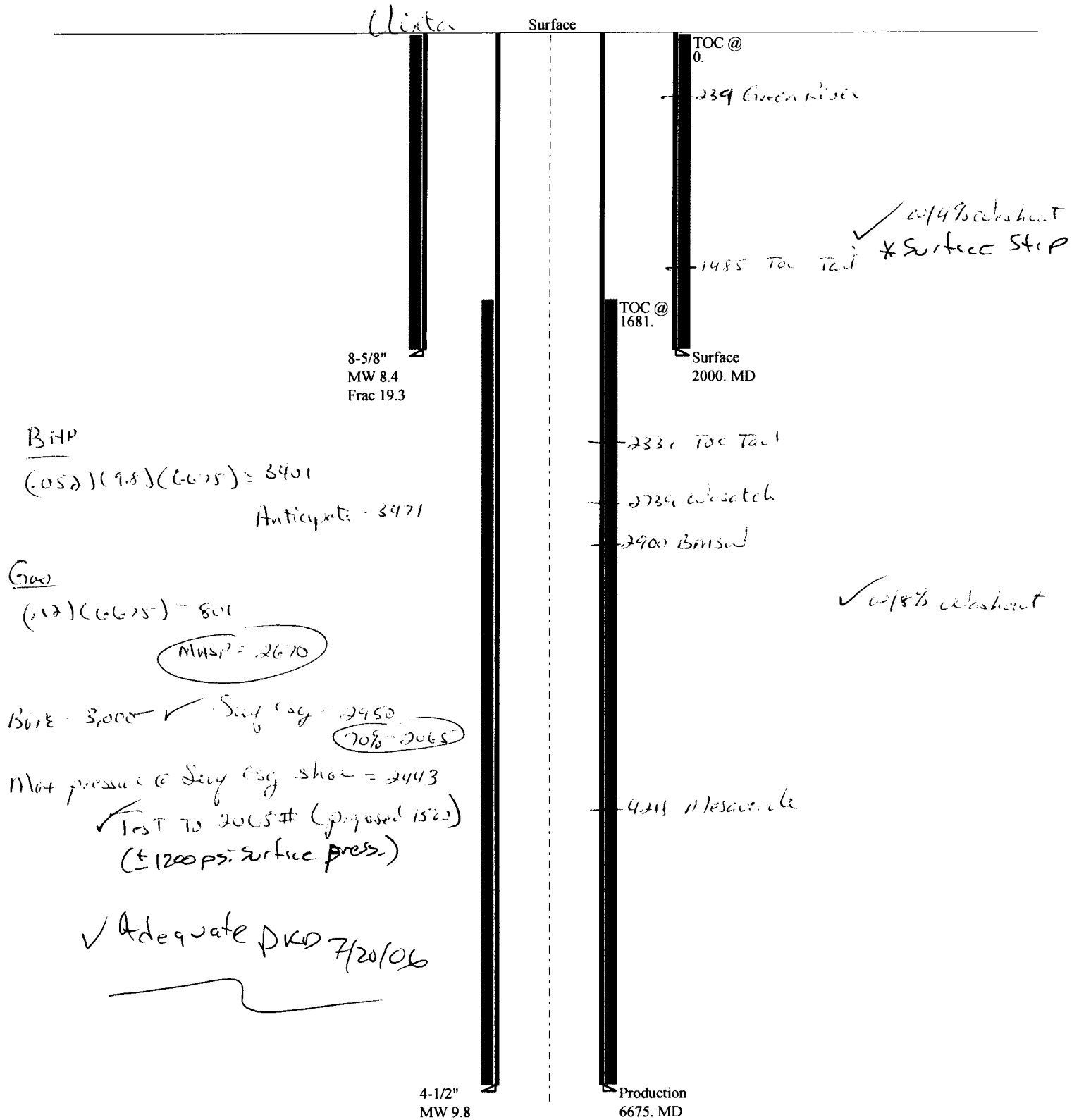
Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

U-06 Enduring Hanging Rock -23-41-36

Casing Schematic



Well name:	07-06 Enduring Hanging Rock 11-23-41-36	
Operator:	Enduring Resource, LLC	Project ID:
String type:	Surface	43-047-38281
Location:	Uintah County	

Design parameters:
Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,748 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,675 ft
Next mud weight: 9.800 ppg
Next setting BHP: 3,398 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	8.625	24.00	J-55	ST&C	2000	2000	7.972	96.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	1370	1.570	2000	2950	1.48	42	244	5.82 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: July 10, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

07-06 Enduring Hanging Rock 11-23-41-36

Operator:

Enduring Resource, LLC

String type:

Production

Project ID:

43-047-38281

Location:

Uintah County

Design parameters:**Collapse**

Mud weight: 9.800 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 168 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: 1,681 ft

Burst

Max anticipated surface

pressure: 1,086 psi

Internal gradient: 0.346 psi/ft

Calculated BHP 3,398 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 5,697 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6675	4.5	11.60	N-80	LT&C	6675	6675	3.875	154.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3398	6350	1.869	3398	7780	2.29	66	223	3.37 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: July 10, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 6675 ft, a mud weight of 9.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

July 27, 2006

Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202

Re: Hanging Rock 11-23-41-36 Well, 606' FNL, 818' FWL, NE NE, Sec. 36,
T. 11 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38281.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

mf
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Enduring Resources, LLC
Well Name & Number Hanging Rock 11-23-41-36
API Number: 43-047-38281
Lease: ML-50085

Location: NE NE **Sec.** 36 **T.** 11 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Surface casing shall be cemented to the surface.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INITIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50085
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 475 17th Street, Ste 1500 CITY Denver STATE Co ZIP 80202		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (303) 350-5114		8. WELL NAME and NUMBER: Hanging Rock 11-23-41-36
4. LOCATION OF WELL FOOTAGES AT SURFACE: 606' FNL - 818' FEL S.L.B.& M. COUNTY: Uintah		9. API NUMBER: 4304738281
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: undesignated

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6/20/2007	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Decrease Surface Casing
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Request change to approved APD.

It anticipated based on off set wells and mapping that the Trona Water, if encountered, will be at 1246' TVD. Therefore,

1. Request changing setting depth of 8-5/8" surface pipe from 2,000' to 1,500'.

- A. Surface casing cement shall be reduced, but shall still cover from surface to 1,500'.
- B. Production casing cement shall be increased so that cement shall come up inside the bottom of the surface pipe at least 300'.


2. No changes from the APD shall be made as to the type cement run.

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JUN 01 2007

6-20-07
RM

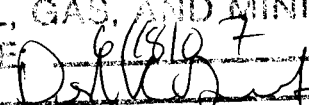
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Alvin R. (Al) Arlian	TITLE Landman - Regulatory Specialist
SIGNATURE 	DATE 5/29/2007

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE 6/19/07
BY: 

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-50085

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
n/a

7. UNIT or CA AGREEMENT NAME:
n/a

8. WELL NAME and NUMBER:
Hanging Rock 11-23-41-36

9. API NUMBER:
4304738281

10. FIELD AND POOL, OR WILDCAT:
Undesignated

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Enduring Resources, LLC

3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 350-5719

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 606' FNL - 818' FEL COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Request for APD Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 7/27/2007
TO: 7/27/2008

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-26-07
By: [Signature]

NAME (PLEASE PRINT) Eyyette Bissett

TITLE Regulatory Affairs Assistant

SIGNATURE [Signature]

DATE 7/24/2007

(This space for State use only)

COPY SENT TO OPERATOR
Date: 7-27-07
Initials: [Signature]

(5/2000)

(See Instructions on Reverse Side)

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JUL 26 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738281
Well Name: Hanging Rock 11-23-41-36
Location: 606' FNL - 818' FEL, NENE, Sec 36, T11S-R23E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 7/27/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Evette Bissett
Signature

7/24/2007
Date

Title: Regulatory Affairs Assistant

Representing: Enduring Resources, LLC

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DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ENDURING RESOURCES, LLC

Well Name: HANGING ROCK 11-23-41-36

Api No: 43-047-38281 Lease Type: STATE

Section 36 Township 11S Range 23E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # RATHOLE

SPUDDED:

Date 08/16/07

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by MERRILL ADAM

Telephone # (435) 828-2370

Date 08/16/07 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC
Address: 475 17th Street, Suite 1500
city Denver
state CO zip 80202

Operator Account Number: N 2750
Phone Number: (303) 350-5114

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738281	Hanging Rock 11-23-41-36		NENE	36	11S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16302	8/17/2007		8/28/07		
Comments: <u>mVRD</u> CONFIDENTIAL							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: RECEIVED AUG 20 2007							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

DIV. OF OIL, GAS & MINING

Alvin R. (Al) Arlian

Name (Please Print)

Signature

Landman-Regulatory

Title

8/20/2007

Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50085
2. NAME OF OPERATOR: Enduring Resources, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	7. UNIT or CA AGREEMENT NAME: n/a
PHONE NUMBER: (303) 350-5719	8. WELL NAME and NUMBER: Hanging Rock 11-23-41-36
9. API NUMBER: 4304738281	10. FIELD AND POOL, OR WILDCAT: Undesignated

4. LOCATION OF WELL FOOTAGES AT SURFACE: 606' FNL - 818' FEL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 8/20/2007	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: Conductor and Surface Pipe Report


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

8-17-2007 MI PETE MARTIN RATHOLE SERVICE AND DRILL 40 FT OF 20" HOLE. RUN 40 FT OF 14" CONDUCTOR AND CEMENT IN PLACE WITH 3 YARDS OF READY MIX CEMENT.

8-18-2007 MIRU PROPETRO DRILLING AND DRILL 12 1/4" HOLE TO 1,570', POOH LAYING DOWN DRILL PIPE. RIH 1 JNT CSG, FLOAT COLLAR, 32JNTS CSG, J55, 8-5/8", 32# CSG TO 1,408' CEMENT GUIDE SHOE & 8 CENTRALIZERS & 2 CEMENT BASKETS AT 200' AND 400' FROM SURFACE. SMALL FRESH WATER SHOW AT 1080'. RU PROPETRO & CEMENT W/ (LEAD) 150 SX CEMENT, (TAIL) 250 SX CEMENT. (TOP) 150 SX CEMENT MIX TO SURFACE, HELD.

Stage: 1, Lead, 0, 150, 16% GEL, 1/4# FLOWCELE, Class G, 3.85, 11.1
Stage: 1, Tail, 0, 250, 2% CACL2, 1/4 FLOWCELE, Class G, 1.15, 15.8
Stage: 1, 0, 100, 2% CACL@, 1/4# FLOWCELE, Class G, 1.15, 15.8
Stage: 1, 0, 50, 2% CACL @, 1/4# FLOWCELE, Class G, 1.15, 15.8

WORT

NAME (PLEASE PRINT) Alvin R. (Al) Arlian	TITLE Landman - Regulatory Specialist
SIGNATURE 	DATE 8/20/2007

(This space for State use only)

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AUG 22 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50085
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: 606' FNL - 818' FEL		8. WELL NAME and NUMBER: Hanging Rock 11-23-41-36
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S		9. API NUMBER: 4304738281
		10. FIELD AND POOL, OR WILDCAT: Undesignated
		COUNTY: Uintah
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>9/2/2007</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Plugging Orders
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	Conformation
	<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

At 09:30 hours called David Hackford for plugging orders.

tops: Wasatch @ 2,737' and Mesaverde @ 4,213'

Orders to plug as follows:

100' cement plug from 4,263' to 4,163'.
100' cement plug from 2,787' to 2,687'.
100' cement plug from 1,480' to 1,380'.
100' cement plug from 100' to SURFACE.

COPY SENT TO OPERATOR
Date: 9/12/07
Initials: CHD

SUBSEQUENT SUNDRY REPORT WITH PLUGGING TO FOLLOW ALONG WITH COMPLETION REPORT.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u></u>	DATE <u>9/5/2007</u>

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING

DATE: 9/11/07
David Hackford
(See Instructions on Reverse Side)
* Verbal by Dave Hackford (see attached email)

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SEP 10 2007

DIV. OF OIL, GAS & MINING

From: David Hackford
To: Dan Jarvis
Date: 9/3/2007 3:05 PM
Subject: PA

I gave Jim Quesenberry the go-ahead to plug the Hanging Rock 11-23-41-36 for Enduring over the telephone.

TD is 4550'. I told him to put a 100' plug across the Mesa Verde top at 4213'. 100' across the Wasatch top at 2737', and 100' across the surface shoe at 1424'. Also 100' at surface. Tag all plugs. I didn't go out. I didn't have any idea it was coming up, so I didn't clear working over the holiday with Gil. I've called several times, and they are slowly getting it. I'll go out early in the morning and check on them.

CONFIDENTIAL

ENDURING RESOURCES, LLC
425 Seventeenth Street, Suite 1500
Denver, Colorado 80202
Telephone: 303-573-1222
Facsimile: 303-573-0461

43-047-38281
36 H S 23e

September 6, 2007

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

**RE: Well Logs
Hanging Rock 11-23-41-36
NENE Sec 36-T11S-R23E
Uintah County, Utah**

Ladies and Gentlemen:


Attached is one original copy of the logs run on the above-referenced well.

Please hold this information as "confidential" as long as allowed.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 (aarlian@enduringresources.com).

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara/
Enclosures as stated:

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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
Denver, CO 80202
(303) 573-1222

CONFIDENTIAL
43-047-38281
Drilling Chronological
Regulatory

Well Name: HANGING ROCK 11-23-41-36									
Field Name:	Utah Wildcat	S/T/R:	36/11S/23E	County, State:	UINTAH, UT				
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern				
Project AFE:	DV00634S1	AFEs Associated:	/ / /						
Daily Summary									
Activity Date :	8/18/2007	Days From Spud :	0	Current Depth :	800 Ft	24 Hr. Footage Made :	800 Ft		
Rig Company :				Rig Name:					
Formation :				Weather:					
Operations									
Start	Hrs	Code	Remarks			Start Depth	End Depth	Run	
6:00	5.00	02	mi pete martin and drill 40 ft of 20" hole. RUN 40 FT OF 14" CONDUCTOR AND CEMENT WITH 3 YARDS OF READYMIX.			0	40	NIH	
11:00	19.00	02	MI PROPETRO DRILLING AND DRILL 12 1/4" HOLE TO 800 FT			40	800	NIH	
Total:	24.00								
Daily Summary									
Activity Date :	8/19/2007	Days From Spud :	0	Current Depth :	1408 Ft	24 Hr. Footage Made :	608 Ft		
Rig Company :				Rig Name:					
Formation :				Weather:					
Operations									
Start	Hrs	Code	Remarks			Start Depth	End Depth	Run	
6:00	17.50	02	DRILL 12 1/4" HOLE TO 1570 FT.			800	1570	NIH	
23:30	6.50	12	RUN 32 JTS OF 8 5/8" 32# J55 CASING TO 1408 FT. Propetro cementers pumped 150 SX LEAD, 250 SX TAIL AND TOPPED WITH 150 SX. Small fresh water show at 1080 ft.			1570	1408	NIH	
Total:	24.00								
Daily Summary									
Activity Date :	8/27/2007	Days From Spud :	0	Current Depth :	1408 Ft	24 Hr. Footage Made :	0 Ft		
Rig Company :				Rig Name:					
Formation :				Weather:					
Operations									
Start	Hrs	Code	Remarks			Start Depth	End Depth	Run	
6:00	12.00	01	MOVE RIG TO NEW LOC, 75% MOVED. SUB SET.			1408	1408	NIH	
18:00	12.00	21	WAIT ON DAYLIGHT			1408	1408	NIH	
Total:	24.00								
Daily Summary									
Activity Date :	8/28/2007	Days From Spud :	0	Current Depth :	1408 Ft	24 Hr. Footage Made :	0 Ft		
Rig Company :	Ensign			Rig Name:	Ensign 79				
Formation :				Weather:					
Operations									
Start	Hrs	Code	Remarks			Start Depth	End Depth	Run	
6:00	12.00	01	DOZER WORK ON LOCATION, WORK ON RIG, PUMPS, ROTATING HEAD. ECT.			1408	1408	NIH	
18:00	12.00	21	WAIT ON DAYLIGHT			1408	1408	NIH	
Total:	24.00								

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DIV. OF OIL, GAS & MINING

Well Name: HANGING ROCK 11-23-41-36																	
Field Name: Utah Wildcat				S/T/R: 36/11S/23E				County, State: UTAH, UT									
Operator: Enduring Resources, LLC				Location Desc:				District: Northern									

Daily Summary																	
Activity Date :		8/29/2007		Days From Spud :		0		Current Depth :		1408 Ft		24 Hr. Footage Made :		0 Ft			
Rig Company :				Ensign				Rig Name:				Ensign 79					
Formation :								Weather:									

Operations																	
Start	Hrs	Code	Remarks										Start Depth	End Depth	Run		
6:00	12.00	01	RIG UP/ WORK ON BACK YARD, WELDER WORK ON ROTATING HEAD, RAISE DERRICK.										1408	1408	NIH		
18:00	12.00	01	RIG UP FLOOR, RE-FLANGE BOP'S, RIG UP CHOKE LINES.										1408	1408	NIH		
Total:		24.00															

Mud Properties																	
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand		
1408		8.34	8.34	0	0	0	0/0/0	0.0	0.0	0	0.00	0.0%	0.0%	0.0%	0.0%		
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss			
0.0	8.79	0.00	0.00	0.00	1100	120	0	0.00	0.00	0	0	0.00		0			
Water Loss	LCM	ECD	FL Temp	UFT	Remarks												
0	0.0	0.0	0														

Daily Summary																	
Activity Date :		8/30/2007		Days From Spud :		0		Current Depth :		1633 Ft		24 Hr. Footage Made :		225 Ft			
Rig Company :				Ensign				Rig Name:				Ensign 79					
Formation :								Weather:									

Operations																	
Start	Hrs	Code	Remarks										Start Depth	End Depth	Run		
6:00	1.50	01	R/U MAKE UP KELLY, AND SPINNER										1408	1408	NIH		
7:30	5.00	15	TEST BOPE 3000 PSI HI AND 250 PSI LO, TEST CHOKE LINES, CASING AND BACK TO PUMP. ALL TEST GOOD. R.D.M.O. TESTER.										1408	1408	NIH		
12:30	3.00	08	R/U & FUNCTION TEST I.R.N. FUNCTION TEST REMOTE. WORKING.										1408	1408	NIH		
15:30	1.50	21	HELD SAFETY MEETING W/ P/U MACHINE AND R/U AS SAME										1408	1408	NIH		
17:00	1.00	06	M/U BIT AND R.I.H. W/ BHA										1408	1408	NIH		
18:00	3.50	06	P/U & T.I.H W/ BHA, TAG CEMENT @ 1278'										1408	1408	NIH		
21:30	0.50	21	R.D.M.O. P/U MACHINE CALIBER.										1408	1408	NIH		
22:00	3.00	21	INSTALL ROTATING HEAD, KELLY UP & BREAK CIRCULATION, DRILL CEMENT AND FLOAT SHOE @ 1,385'										1408	1408	NIH		
1:00	1.00	21	WASH DOWN TO 1,447'										1408	1408	NIH		
2:00	2.00	08	RIG REPAIR/ FIX LOW DRUM CLUTCH AIR LINE										1408	1408	NIH		
4:00	1.00	21	WASH DOWN TO 1,586 AND DRILL 5' NEW FORMATION TO 1,591										1408	1591	NIH		
5:00	0.50	05	CIRCULATE AND CLEAN HOLE, FIT TEST = 10PPG EMW 10 MIN HELD GOOD										1591	1591	1		
5:30	0.50	02	DRILL F/ 1,591 T/ 1,633'										1591	1633	1		
Total:		24.00															

Mud Properties																	
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand		
1408	10:00	8.34	8.34	0	0	0	0/0/0	0.0	0.0	0	0.00	0.0%	0.0%	0.0%	0.0%		
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss			
0.0	8.79	0.00	0.00	0.00	1100	120	0	0.00	0.00	0	0	0.00		0			
Water Loss	LCM	ECD	FL Temp	UFT	Remarks												
0	0.0	0.0	78														

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DIV. OF OIL, GAS & MINING

Well Name: HANGING ROCK 11-23-41-36															
Field Name: Utah Wildcat				S/T/R: 36/11S/23E				County, State: UINTAH, UT							
Operator: Enduring Resources, LLC				Location Desc:				District: Northern							

Daily Summary															
Activity Date :		8/31/2007		Days From Spud :		0		Current Depth :		3219 Ft		24 Hr. Footage Made :		1586 Ft	
Rig Company :				Ensign				Rig Name:				Ensign 79			
Formation :				Wasatch				Weather:							

Operations																
Start	Hrs	Code	Remarks										Start Depth	End Depth	Run	
6:00	2.50	02	DRILL F/ 1,633' T/ 1,726'										1633	1726	1	
8:30	0.50	10	SURVEY @ 1,651' INC= .84										1726	1726	1	
9:00	2.00	02	DRILL F/ 1,726' T/ 1,851										1726	1851	1	
11:00	0.50	07	SERVICE RIG										1851	1851	1	
11:30	5.50	02	DRILL F/ 1,851' T/ 2,191'										1851	2191	1	
17:00	0.50	10	SURVEY @ 2,116' INC= .64										2191	2191	1	
17:30	0.50	02	DRILL F/ 2,191' T/ 2,255'										2191	2255	1	
18:00	5.50	02	DRILL F/ 2,255' T/ 2,690'										2255	2690	1	
23:30	0.50	10	SURVEY @ 2,615' INC = 1.03										2690	2690	1	
0:00	6.00	02	DRILL F/ 2,690' T/ 3,219'										2690	3219	1	
Total:		24.00														

Mud Properties															
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
1695	7:30	8.34	8.34	27	0	0	0/0/0	0.0	0.0	0	0.00	3.0%	97.0%	0.0%	0.7%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	10.75	0.10	0.05	0.20	1000	640	0	0.00	0.00	0	0	0.00		0	
Water Loss		LCM	ECD	FL Temp	UFT	Remarks									
0		0.0	0.0	72											

Daily Summary															
Activity Date :		9/1/2007		Days From Spud :		3		Current Depth :		4550 Ft		24 Hr. Footage Made :		1331 Ft	
Rig Company :								Rig Name:							
Formation :				Mesaverde				Weather:							

Operations																
Start	Hrs	Code	Remarks										Start Depth	End Depth	Run	
6:00	0.50	10	SURVEY @ 3,144' INC=.86										3219	3219	1	
6:30	7.50	02	DRILL F/ 3,219' T/ 3,716'										3219	3716	1	
14:00	0.50	10	SURVEY @ 3,641' INC = 1.67										3716	3716	1	
14:30	1.50	02	DRILL F/ 3,716' T/ 3,810'										3716	3810	1	
16:00	0.50	07	SERVICE RIG										3810	3810	1	
16:30	1.50	02	DRILL F/ 3,810' T/ 3,934'										3810	3934	1	
18:00	10.00	02	3,934' T/ 4,550 T.D.										3934	4550	1	
4:00	1.50	05	CIRCULATE AND CONDITION HOLE, PUMP SWEEP										4550	4550	1	
5:30	0.50	10	RUN SURVEY @ 4,475' INC = 1.73										4550	4550	1	
Total:		24.00														

Mud Properties															
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
3600	12:00	8.70	8.70	41	12	6	9/17/29	9.6	0.0		1.00	0.5%	99.5%	0.0%	0.1%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	10.50	1.50	0.25	0.60	1400	100	0	0.00	0.00	0	0	0.00		0	
Water Loss		LCM	ECD	FL Temp	UFT	Remarks									
0		0.0	0.0	90											

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DIV. OF OIL, GAS & MINING

Well Name:HANGING ROCK 11-23-41-36

Field Name:	Utah Wildcat	S/T/R:	36/11S/23E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

Daily Summary

Activity Date :	9/2/2007	Days From Spud :	4	Current Depth :	4550 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :		Rig Name:					
Formation :	Mesaverde	Weather:					

Operations

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	5.00	06	SHORT TRIP	4550	4550	1
11:00	3.50	05	CIRCULATE & CONDITION @ 4,550'	4550	4550	1
14:30	4.50	06	TRIP OUT TO LOG. L/D REAMERS & MUD MOTOR	4550	4550	1
19:00	6.50	11	SAFETY MEETING WITH SCHLUMBERGER. R/U SAME. RAN TRIPLE - COMBO LOG. LOG T.D. 4,551'. R/D SCHLUMBERGER.	4550	4550	1
1:30	2.50	06	MAKE UP BIT #2 R.R. & TRIP IN HOLE TO 2,303'	4550	4550	2
4:00	0.50	05	CIRCULATE BOTTOMS UP AT 2,303'.	4550	4550	2
4:30	1.50	06	CONTINUE TRIP IN HOLE	4550	4550	2
Total:	24.00					

Mud Properties

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
4550	11:30	9.20	9.20	43	13	9	8/17/28	9.0	0.0		1.00	4.0%	96.0%	0.0%	0.1%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	9.50	0.90	0.05	0.40	1900	100	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	0.0	100												

Daily Summary

Activity Date :	9/3/2007	Days From Spud :	5	Current Depth :	4550 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :	ENSGN USA	Rig Name:	ENSGN 79				
Formation :	Mesaverde	Weather:					

Operations

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	03	WASH F/ 4,530' TO 4,550'.	4550	4550	2
6:30	3.50	05	CIRCULATE @ 4,550'.	4550	4550	2
10:00	1.50	06	TRIP OUT OF HOLE TO H.W.D.P.	4550	4550	2
11:30	2.50	21	WAIT ON L/D MACHINE	4550	4550	2
14:00	3.50	21	SAFETY MEETING W/ CALIBER & R/U SAME. L/D B.H.A. # 2.	4550	4550	NIH
17:30	1.00	07	RIG SERVICE, FILL IRON ROUGH NECK WITH HYDRAULIC FLUID	4550	4550	NIH
18:30	3.00	06	TRIP IN HOLE WITH D.P. (STRAP IN), P/U 11 JTS. D.P. TO 4,263'.	4550	4550	NIH
21:30	1.00	05	CIRCULATE OPEN ENDED @ 4,263'.	4550	4550	NIH
22:30	0.50	12	SAFETY MEETING WITH HALLIBURTON & R/U SAME. PRESSURE TEST TO 5,000 PSI. MIX & SPOT 45 SKS. (9.2 BBLs., 40% EXCESS) OF "G" CEMENT @ 15.8 PPG, YIELD 1.15. DISPLACE WITH 59 BBLs. OF MUD. CEMENT PLUG FROM 4,263' TO 4,163'. PULL 5 STANDS.	4550	4550	NIH
23:00	6.00	05	CIRCULATE & W.O. CEMENT.	4550	4550	NIH
5:00	0.50	06	TRIP IN HOLE. TAG TOP OF CEMENT @ 4,143'.	4550	4550	NIH
5:30	0.50	21	L/D 4-1/2" D.P.	4550	4550	NIH
Total:	24.00					

Mud Properties

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
4550	6:00	9.30	9.30	41	13	7	6/15/26	9.0	0.0		1.00	4.0%	96.0%	0.0%	0.1%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	9.00	0.70	0.05	0.40	1600	100	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	9.6	100												

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Well Name: HANGING ROCK 11-23-41-36										
Field Name:	Utah Wildcat			S/T/R:	36/11S/23E			County, State:	UINTAH, UT	
Operator:	Enduring Resources, LLC			Location Desc:				District:	Northern	

Daily Summary											
Activity Date :	9/4/2007		Days From Spud :	6		Current Depth :	4550 Ft		24 Hr. Footage Made :	0 Ft	
Rig Company :	ENSIGN USA					Rig Name:	ENSIGN 79				
Formation :						Weather:					

Operations										
Start	Hrs	Code	Remarks					Start Depth	End Depth	Run
6:00	0.50	21	L/D 4-1/2" D.P. TO 2,787'.					4550	4550	NIH
6:30	0.50	05	CIRCULATE @ 2,787'.					4550	4550	NIH
7:00	1.00	12	MIX & SPOT 35 SKS. (7.2 BBLs., 25% EXCESS) OF "G" CEMENT WITH 2% CaCl ₂ @ 15.8 PPG, YIELD 1.15, DISPLACE WITH 36.8 BBLs. OF MUD. CEMENT PLUG FROM 2,787' TO 2,687'. PULL 5 STANDS.					4550	4550	NIH
8:00	4.00	05	CIRCULATE & W.O. CEMENT.					4550	4550	NIH
12:00	0.50	06	TRIP IN HOLE. TAG TOP OF CEMENT @ 2,682'.					4550	4550	NIH
12:30	1.00	21	L/D 4-1/2" D.P.					4550	4550	NIH
13:30	0.50	05	CIRCULATE @ 1,480'.					4550	4550	NIH
14:00	0.50	12	MIX & PUMP 35 SKS. (7.2 BBLs., 15% EXCESS) OF "G" CEMENT WITH 2% CaCl ₂ @ 15.8 PPG, YIELD 1.15, DISPLACE WITH 18 BBLs. OF MUD. CEMENT PLUG FROM 1,480' TO 1,380'. PULL 5 STANDS.					4550	4550	NIH
14:30	4.00	05	CIRCULATE & W.O. CEMENT.					4550	4550	NIH
18:30	0.50	06	BREAK KELLY. TRIP IN HOLE. TAG TOP OF CEMENT @ 1,360'.					4550	4550	NIH
19:00	1.50	21	L/D 4-1/2" D.P., PULL WEAR BUSHING & ROTATING RUBBER.					4550	4550	NIH
20:30	2.50	12	P/U 4 JTS. D.P.. MIX & PUMP 35 SKS. (7.2 BBLs., 0% EXCESS) OF "G" CEMENT WITH 2% CaCl ₂ @ 15.8 PPG, YIELD 1.15. CEMENT PLUG FROM 100' TO 0'. L/D 4 JTS. D.P. (RAN 1" & TOPPED OUT FROM 8' TO 0') R/D CALIBER L/D MACHINE. R/D HALLIBURTON.					4550	4550	NIH
23:00	5.00	21	CLEAN MUD TANKS. RIG RELEASED @ 04:00 09-04-2007					4550	4550	NIH
4:00	2.00	01	R/D ENSIGN 79					4550	4550	NIH
Total:	24.00									

Mud Properties															
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
4550	6:00	9.30	9.30	41	13	7	6/15/26	9.0	0.0		1.00	4.0%	96.0%	0.0%	0.1%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl ₂	EDTA	O/W Ratio	Mud Loss	
0.0	9.00	0.70	0.05	0.40	1600	100	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	9.6	100												

Daily Summary											
Activity Date :	9/5/2007		Days From Spud :	7		Current Depth :	4550 Ft		24 Hr. Footage Made :	0 Ft	
Rig Company :	ENSIGN USA					Rig Name:	ENSIGN 79				
Formation :						Weather:					

Operations										
Start	Hrs	Code	Remarks					Start Depth	End Depth	Run
6:00	12.00	01	R/D ENSIGN 79.					4550	4550	NIH
18:00	12.00	21	RIG IDLE.					4550	4550	NIH
Total:	24.00									

Mud Properties															
Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
4550	6:00	9.30	9.30	41	13	7	6/15/26	9.0	0.0		1.00	4.0%	96.0%	0.0%	0.1%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl ₂	EDTA	O/W Ratio	Mud Loss	
0.0	9.00	0.70	0.05	0.40	1600	100	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	9.6	100												

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Well Name:HANGING ROCK 11-23-41-36					
Field Name:	Utah Wildcat	S/T/R:	36/11S/23E	County,State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

Formation					
Formation Name	Current Well Top	Subsea Datum	Ref Well Top	Elec Top	Comments

Casing									
DateIn	Setting Depth	Jts Run	Type	Size	Weight	Grade	MINID	HoleDiam	TD
8/18/2007	1408	32	3. Surface	8.625	32	J-55		12.25	1570
Stage: 1, Lead, 0, 150, 16% GEL, 1/4 # FLOWCELE, Class G, 3.85, 11.1									
Stage: 1, Tail, 0, 250, 2% CACL2, 1/4# FLOWCELE, Class G, 1.15, 15.8									
Stage: 1, Top Out, 0, 100, 2% CACL2, 1/4# FLOWCELE, Class G, 1.15, 15.8									
Stage: 1, Top Out, 0, 50, 2% CACL2, 1/4# FLOWCELE, Class G, 1.15, 15.8									
9/1/2007	0	0	0. Pipe on Rack	4.5	11.6	M-80		7.875	0

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50085
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
PHONE NUMBER: (303) 350-5705		8. WELL NAME and NUMBER: Hanging Rock 11-23-41-36
4. LOCATION OF WELL FOOTAGES AT SURFACE: 606' FNL - 818' FEL COUNTY: Uintah		9. API NUMBER: 4304738281
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S		10. FIELD AND POOL, OR WILDCAT: Undesignated
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit In Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/3/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

tops: Wasatch @ 2,737' and Mesaverde @ 4,213'

Plugged as follows:

120' cement plug from 4,263' to 4,143' with 45 sks, 9.2 bbls 15.8 PPG Class "G" cement.
105' cement plug from 2,787' to 2,682' with 35 sks, 7.2 bbls 15.8 PPG Class "G" cement w/ 2% CaCl.
120' cement plug from 1,480' to 1,360' with 35 sks, 7.2 bbls 15.8 PPG class "G" cement w/ 2% CaCl.
100' cement plug from 100' to SURFACE with 35 sks, 7.2 bbls 15.8 PPG class "G" cement w/ 2% CaCl.

Completion report attached.

NAME (PLEASE PRINT) Kevin Lee	TITLE Engineering Tech
SIGNATURE 	DATE 9/6/2007

(This space for State use only)

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50085
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR: Enduring Resources, LLC		7. UNIT or CA AGREEMENT NAME N/A
3. ADDRESS OF OPERATOR: 475 17th St, Suite 1500 CITY Denver STATE CO ZIP 80202		8. WELL NAME and NUMBER: Hanging Rock 11-23-41-36
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 606' FNL - 818' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: same as above AT TOTAL DEPTH: same as above		9. API NUMBER: 4304738281
10. FIELD AND POOL, OR WILDCAT Undesignated		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 36 11S 23E S
12. COUNTY Uintah		13. STATE UTAH

14. DATE SPUDDED: 3/30/2007	15. DATE T.D. REACHED: 9/1/2007	16. DATE COMPLETED: 9/3/2007	ABANDONED <input checked="" type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL):
18. TOTAL DEPTH: MD 4,550 TVD	19. PLUG BACK T.D.: MD TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE MD PLUG SET: TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) Previously submitted. 			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14"	line pipe	0	40		3 yards		0 (CIR)	0
12 1/4"	8 5/8 J55	32#	0	1,408		CI G 550	185	0(CIR)	0
7-7/8"	N/A N/A	Plug #1	4,143	4,263		CI G 45	9	4143(tag)	0
		Plug #2	2,682	2,787		CI G 35	7	2682(tag)	0
		Plug #3	1,360	1,480		CI G 35	7	1360(tag)	0
		Plug #4	0	100		CI G 35	7	0(CIR)	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

P&A'd

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31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Green River Wasatch Mesaverde	384 2,737 4,213

35. ADDITIONAL REMARKS (Include plugging procedure)

Verbal orders given by David Hackford, DOG&M, Utah.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Kevin Lee

TITLE Engineering Tech

SIGNATURE 

DATE 9/6/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>DRY HOLE</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>ML-50085</u>
2. NAME OF OPERATOR: <u>Enduring Resources, LLC</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>n/a</u>
3. ADDRESS OF OPERATOR: <u>475 17th Street, Suite 1500</u> CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: <u>n/a</u>
PHONE NUMBER: <u>(303) 350-5719</u>		8. WELL NAME and NUMBER: <u>Hanging Rock 11-23-41-36</u>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>606' FNL - 818' FEL</u>		9. API NUMBER: <u>4304738281</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>NENE 36 11S 23E S</u>		10. FIELD AND POOL, OR WILDCAT: <u>Undesignated</u>
COUNTY: <u>Uintah</u>		STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <u>2/28/2008</u>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Reclaimed reserve pit, location and road.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>3/6/2008</u>

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MAR 10 2008

DIV. OF OIL, GAS & MINING

PONDEROSA OIL FIELD SERVICE, INC.

OIL FIELD & GENERAL
807 E. 500 S. • P.O. BOX 1111
VERNAL, UTAH 84078
(435) 789-9239

Invoice

DATE

INVOICE #

2/28/2008

8961

BILL TO:

ENDURING RESOURCES
475 SEVENTEENTH STREET #1500
DENVER, COLORADO 80202

DESCRIPTION	AMOUNT
<p>LOCATION HANGING ROCK 11-23-41-36</p> <p>COST TO RECLAIM RESERVE PIT, LOCATION & ROAD</p> <p><i>COPY RR 8/18/07</i></p> <p><i>DRY Hole Rehb. 830.030 JAH</i></p>	<p>76,800.00</p> <p>RECEIVED MAR 10 2008 DIV. OF OIL, GAS & MINING</p>
	<p>TOTAL \$76,800.00</p>

TERMS: Due and payable upon completion. INTEREST OF 1.5% PER MONTH, EQUIVALENT TO 18% PER YEAR
will be charged on all past due accounts, cost of collections will be added, including reasonable attorney's fee.